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National Trend of Business in the Restaurant Industry

NATIONAL RESTAURANT ASSOCIATION
311 First Street, N.W.
Washington, DC 20001 (202) 638-6100

VOLUME I, NUMBER 1 JANUARY, 1981

Total receipt per cover averaged $7.38 for January 1981, reflecting an 8.4 percent increase over the same period last year. Total beverage sales rose at a faster pace than food sales, up 15.4 percent and 7.9 percent respectively, when compared to January 1980.

When comparing areas of the United States, the South Central region attained the highest average receipt per cover, $9.96, or 14.1 percent over January 1980, as well as the highest increase in sales and costs of food and beverage. In the Northeast, total sales and costs of food and beverage decreased marginally, while payroll costs rose 11.3 percent over Janaury 1980.

Laventhol & Horwath in conjunction with the National Restaurant Association is very pleased to supplement the National Trend of Business in the Restaurant Industry with two additional reports this month; the Food and Beverage Sales Report and the Payroll and Employee Report. In succeeding months we will also be furnishing year-to-date statistics in addition to the three monthly reports.

Your response has been greatly appreciated and we hope all contributors will continue to return the questionnaires, as complete as possible, on a timely basis.

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TREND REPORT JANUARY 1981 COMPARED WITH JANUARY 1980

	SALES % CHANGE			COST % CHANGE				AVERAGE RECEIPT PER COVER	
	TOTAL	FOOD	BEV.	TOTAL	FOOD	BEV.	PAYROLL	JAN	% CHG
TOTAL	9.2	7.9	15.4	6.2	5.3	12.9	6.6	$ 7.38	8.4
AFFILIATION:									
Single Unit	12.6	10.6	19.7	7.3	5.9	14.5	2.8	$10.08	8.8
Multi-Unit:									
Company-Owned	11.0	11.0	*	8.6	8.6	*	6.2	2.72	-2.9
Franchised	7.2	6.4	11.7	5.5	4.8	11.6	9.0	6.69	9.0
AREA:									
Northeast	-0.2	-1.5	22.6	-0.7	-1.5	17.3	11.3	$ 8.03	10.8
Southeast	7.5	6.4	16.2	-3.3	-4.4	8.7	6.8	5.85	9.0
North Central	10.9	10.5	12.3	7.1	6.4	11.1	7.1	6.03	4.7
South Central	19.3	16.2	30.9	13.1	11.7	20.7	-0.1	9.96	14.1
West	9.4	9.2	10.2	10.5	10.3	11.6	6.9	8.49	7.5
AVERAGE CHECK:									
Under $3.48	8.3	8.4	*	4.6	4.6	*	12.2	2.55	4.1
$3.48 TO $6.95	9.0	7.3	28.1	2.5	1.3	20.9	17.5	4.87	10.8
$6.95 TO $9.94	9.3	9.5	8.3	10.0	10.2	9.0	7.5	8.26	6.0
Over $9.94	15.0	13.4	19.9	10.2	8.6	17.8	-0.2	13.29	7.8
SALES PER MONTH:									
Under $33523.	7.0	6.2	14.6	-3.5	-4.6	12.0	11.6	$ 3.48	13.7
$33523. TO $55256.	2.1	1.7	16.0	2.2	1.5	35.9	14.1	3.61	6.5
$55256. TO $94928.	2.9	1.7	8.1	2.5	1.4	9.8	6.6	6.41	-5.9
Over $94928.	12.7	11.6	17.5	8.6	7.9	13.2	4.8	8.98	10.2
SEAT CAPACITY:									
Under 111	13.8	13.1	20.9	13.1	11.5	39.0	21.0	$ 3.82	15.0
111 TO 160	-2.5	-2.5	-2.6	-5.3	-5.5	*	6.3	3.61	-6.2
160 TO 243	7.8	7.5	9.4	5.2	5.1	6.1	8.3	8.07	7.5
Over 243	12.8	10.8	20.5	8.9	7.6	17.4	3.2	8.82	10.9
TYPE:									
Cafeteria	*	*	*	*	*	*	*	$ *	*
Coffee Shop	-1.9	-1.9	*	-3.6	-3.6	*	10.6	*	*
Full Menu:									
Tableservice	11.8	10.0	18.5	7.0	5.4	16.6	4.4	8.24	10.2
Limited Menu:									
Tableservice	8.4	8.7	6.6	8.5	9.3	2.2	9.2	7.57	7.3
No Tableservice	20.0	20.9	*	20.0	20.0	*	41.7	1.86	17.7
Other	*	*	*	*	*	*	*	*	*

* INSUFFICIENT RESPONSE

FOOD AND BEVERAGE SALES REPORT AS OF JANUARY 1981

	COMPOSITION OF SALES				TOTAL COST PER DOLLAR OF SALES			
	JAN 81		JAN 80		JAN 81		JAN 80	
	FOOD	BEV.	FOOD	BEV.	FOOD	BEV.	FOOD	BEV.
TOTAL	82.3	17.7	83.2	16.8	$ 0.40	$ 0.25	$ 0.41	$ 0.26
AFFILIATION:								
Single Unit	76.5	23.5	77.9	22.1	$ 0.39	$ 0.25	$ 0.40	$ 0.26
Multi-Unit:								
Company-Owned	100.0	*	100.0	*	0.31	*	0.32	*
Franchised	84.9	15.1	85.5	14.5	0.41	0.26	0.41	0.26
AREA:								
Northeast	93.5	6.5	94.7	5.3	$ 0.36	$ 0.26	$ 0.36	$ 0.27
Southeast	87.6	12.4	88.6	11.4	0.38	0.27	0.42	0.29
North Central	78.1	21.9	78.4	21.6	0.41	0.26	0.43	0.26
South Central	76.7	23.3	78.8	21.2	0.35	0.24	0.36	0.27
West	80.2	19.8	80.3	19.7	0.43	0.25	0.43	0.25
AVERAGE CHECK:								
Under $3.48	99.2	*	99.1	*	0.38	*	0.39	*
$3.48 TO $6.95	90.5	9.5	91.9	8.1	0.39	0.27	0.41	0.29
$6.95 TO $9.94	79.6	20.4	79.4	20.6	0.45	0.25	0.45	0.25
Over $9.94	74.4	25.6	75.5	24.5	0.39	0.26	0.41	0.26
SALES PER MONTH:								
Under $33523.	89.1	10.9	89.8	10.2	$ 0.41	$ 0.27	$ 0.46	$ 0.28
$33523. TO $55256.	96.8	3.2	97.2	2.8	0.35	0.30	0.35	0.25
$55256. TO $94928.	80.6	19.4	81.6	18.4	0.39	0.26	0.39	0.25
Over $94928.	79.6	20.4	80.5	19.5	0.41	0.25	0.42	0.26
SEAT CAPACITY:								
Under 111	91.2	8.8	91.8	8.2	$ 0.36	$ 0.29	$ 0.36	$ 0.25
111 TO 160	97.2	2.8	97.2	2.8	0.35	*	0.36	*
160 TO 243	81.5	18.5	81.7	18.3	0.43	0.26	0.44	0.27
Over 243	78.1	21.9	79.5	20.5	0.39	0.25	0.41	0.25
TYPE:								
Cafeteria	*	*	*	*	$ *	$ *	$ *	$ *
Coffee Shop	99.8	*	99.8	*	0.33	*	0.34	*
Full Menu:								
Tableservice	78.3	21.7	79.6	20.4	0.40	0.25	0.41	0.26
Limited Menu:								
Tableservice	83.0	17.0	82.8	17.2	0.43	0.25	0.43	0.26
No Tableservice	97.1	*	96.4	*	0.45	*	0.46	*
Other	*	*	*	*	*	*	*	*

* INSUFFICIENT RESPONSE

PAYROLL AND EMPLOYEE REPORT

	SALES PER FTE EMP		PAYROLL PER FTE EMP		COVERS PER FTE EMP		TOTAL SALES PER PAYROLL DOLLAR	
	JAN 81	JAN 80	JAN 81	JAN 80	JAN 81	JAN 80	JAN 81	JAN 80
TOTAL	$ 2056.76	$ 1904.82	$ 641.32	$ 600.74	303.3	297.6	$ 3.20	$ 3.13
AFFILIATION:								
Single Unit	$ 2141.65	$ 1935.80	$ 685.97	$ 660.80	247.5	241.6	$ 3.21	$ 2.93
Multi-Unit:								
Company-Owned	1514.25	1365.03	442.33	417.08	556.7	487.4	3.43	3.28
Franchised	2046.33	1917.77	632.04	584.07	314.4	313.3	3.19	3.26
AREA:								
Northeast	$ 1608.27	$ 1642.65	$ 543.66	$ 495.12	206.7	208.1	$ 2.99	$ 3.33
Southeast	2747.93	2450.97	712.82	646.25	469.9	457.0	3.58	3.62
North Central	1877.29	1717.76	626.27	594.91	307.4	295.5	3.03	2.92
South Central	1561.17	1418.91	473.83	506.00	181.4	193.9	3.41	2.86
West	2305.56	2089.96	720.18	667.61	272.4	266.9	3.20	3.14
AVERAGE CHECK:								
Under $3.48	1482.38	1462.13	484.36	465.64	544.6	554.1	3.23	3.34
$3.48 TO $6.95	2265.92	2128.17	653.14	569.26	465.3	484.1	3.47	3.74
$6.95 TO $9.94	2108.67	1938.45	675.91	631.60	255.0	248.3	3.09	3.04
Over $9.94	2335.42	2021.04	680.84	669.71	193.3	179.5	3.34	2.91
SALES PER MONTH:								
Under $33523.	$ 1244.90	$ 1208.25	$ 427.15	$ 397.06	369.2	406.9	$ 2.81	$ 2.98
$33523. TO $55256.	1638.88	1652.13	556.64	498.03	430.0	446.9	3.04	3.40
$55256. TO $94928.	1842.84	1791.66	633.37	589.24	270.3	255.0	2.95	3.06
Over $94928.	2326.62	2075.16	688.41	651.14	286.7	277.5	3.35	3.12
SEAT CAPACITY:								
Under 111	$ 1811.74	$ 1643.49	$ 576.96	$ 490.23	391.5	392.8	$ 3.26	$ 3.49
111 TO 160	1548.82	1620.44	527.85	496.38	447.7	437.8	2.97	3.23
160 TO 243	2088.85	1939.57	633.01	589.25	266.4	261.8	3.19	3.22
Over 243	2264.98	2025.19	707.12	674.44	298.4	292.3	3.26	2.99
TYPE:								
Cafeteria	$ *	$ *	$ *	$ *	*	*	$ *	$ *
Coffee Shop	1555.84	1622.48	519.53	475.92	*	*	3.02	3.40
Full Menu:								
Tableservice	2160.99	1952.30	663.78	632.44	292.0	289.0	3.23	3.03
Limited Menu:								
Tableservice	2181.05	2003.41	680.30	620.25	288.1	284.0	3.21	3.23
No Tableservice	*	*	*	*	*	*	5.03	5.94
Other	*	*	*	*	*	*	*	*

* INSUFFICIENT RESPONSE

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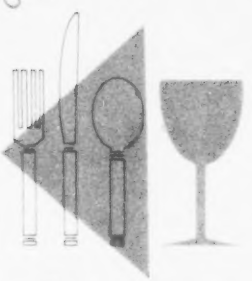

National Trend of Business in the Restaurant Industry

VOLUME I, NUMBER 2

FEBRUARY, 1981

For the restaurants included in our survey, total sales fell 2.4 percent. Food sales were down 3.4 percent during February 1981 from the same month last year while beverage sales increased by 2.2 percent. Total payroll costs remained relativvely constant during this time frame, increasing less than 1.0 percent. The average receipt per cover reached $7.25, an increase of 10.2 percent. For the first two months of 1981, the average receipt per cover rose was $7.33, 9.4 percent higher than for the same period last year.

Food costs per dollar of food sales dropped during the month to 37 cents. Beverage costs per dollar of beverage sales also declined from the same month last year, from 26 cents to 24 cents. Total sales per payroll dollar was also down slightly as the number of covers served per employee dropped.

Restaurants in the West and Northeast regions of the country experienced the sharpest gains in sales, while those in the North and South Central regions suffered declines in revenues. The smaller restaurants, those with less than 114 seats, and those with the lowest sales volume, had the most consistent growth during the month. These restaurants also tended to have the lowest average receipt per cover, which appears to indicate that consumers are scaling down their dining out habits by reducing both the frequency of trips taken and the amount spent per meal.

During the past several years, the food service industry has been suffering from a steady erosion in profit margins due to declining customer counts and higher costs. Unless inflation and employment begin to abate and interest rates become more reasonable, this situation will probably continue for the next several quarters. Pending any tax cuts that may be forthcoming, further improvements in productivity and better utilization of existing assets will be the restaurateur's primary tool for improving profitability.

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TREND REPORT FEBRUARY 1981 COMPARED WITH FEBRUARY 1980

	SALES % CHANGE			COST % CHANGE				AVERAGE RECEIPT PER COVER	
	TOTAL	FOOD	BEV.	TOTAL	FOOD	BEV.	PAYROLL	FEB	% CHG
TOTAL	-2.4	-3.4	2.2	-9.0	-9.1	-8.1	0.5	$ 7.25	10.2
AFFILIATION:									
Single Unit	-2.4	-3.6	1.9	-0.4	-0.4	-	-0.4	$ 9.86	2.8
Multi-Unit:									
Company-Owned	-5.9	-5.9	*	-7.9	-7.9	*	0.5	3.02	-6.8
Franchised	-2.3	-3.7	2.5	-13.2	-13.2	-13.9	1.1	6.66	15.3
AREA:									
Northeast	3.2	2.1	21.5	2.2	1.8	8.7	3.2	$ 8.16	10.2
Southeast	*	*	*	*	*	*	*	*	*
North Central	-0.7	-2.2	4.7	-5.1	-5.3	-3.7	0.6	5.98	3.2
South Central	-8.8	-8.5	-9.7	1.4	2.7	-5.4	4.1	8.93	-9.2
West	5.1	4.8	6.7	-13.8	-14.2	-11.2	7.1	8.66	7.6
SALES PER MONTH:									
Under $35417.	5.9	7.0	-1.6	3.2	4.7	-10.6	3.4	$ 3.68	6.7
$35417. TO $53317.	6.0	4.9	23.2	2.5	2.1	9.7	13.4	4.21	2.5
$53317. TO $86906.	-3.9	-4.9	1.5	-5.5	-5.8	-2.7	-4.1	5.27	-2.8
Over $86906.	-4.0	-5.3	1.4	-12.7	-13.1	-10.4	-0.6	8.88	17.1
NUMBER OF SEATS:									
Under 114	12.8	12.4	16.5	4.0	4.3	1.1	18.8	$ 3.82	6.7
114 TO 160	-0.4	-0.1	*	0.5	0.8	*	2.4	3.60	-7.6
160 TO 267	2.6	2.0	5.1	-11.7	-12.3	-7.3	4.4	8.29	8.8
Over 267	-9.4	-11.7	-0.5	-10.2	-10.4	-9.3	-5.7	8.23	19.3
Type:									
Cafeteria	*	*	*	*	*	*	*	*	*
Coffee Shop	2.0	2.0	*	0.7	0.7	*	6.8	*	*
Full Menu:									
Tableservice	-5.8	-7.6	1.4	-7.3	-7.4	-6.3	-3.7	$ 8.10	15.7
Limited Menu:									
Tableservice	4.7	4.7	5.0	-19.4	-20.0	-14.5	8.9	7.69	6.7
No Tableservice	*	*	*	*	*	*	*	*	*
Other	*	*	*	*	*	*	*	*	*

\- NO CHANGE
* INSUFFICIENT RESPONSE

YEAR TO DATE TREND REPORT AS OF FEBRUARY 1981

	SALES % CHANGE			COST % CHANGE				AVERAGE RECEIPT PER COVER	
	TOTAL	FOOD	BEV	TOTAL	FOOD	BEV.	PAYROLL	FEB	% CHG
TOTAL	3.1	2.0	8.4	-1.9	-2.3	1.5	3.4	$ 7.33	9.4
AFFILIATION:									
Single Unit	4.7	3.1	10.2	3.3	2.6	7.0	1.2	$ 9.99	5.6
Multi-Unit:									
Company-Owned	3.4	3.4	*	0.4	0.4	*	3.4	2.82	-5.7
Franchised	2.2	1.4	6.8	-4.6	-4.8	-2.8	4.8	6.66	12.5
AREA:									
Northeast	1.5	0.3	22.0	0.7	0.2	12.8	7.1	$ 8.09	10.5
Southeast	*	*	*	*	*	*	*	*	*
North Central	5.0	4.1	8.4	0.5	0.1	2.9	3.6	6.02	3.9
South Central	3.8	2.5	8.6	7.0	7.0	7.5	2.0	9.43	1.3
West	7.1	6.8	8.3	-2.3	-2.5	-0.8	6.9	8.58	7.6
SALES PER MONTH:									
Under $35198.	6.1	6.2	5.1	-0.7	-0.6	-2.6	7.9	$ 3.57	8.3
$35198. TO $54772.	4.6	3.8	17.7	2.9	2.3	16.3	12.9	4.08	5.5
$54772. TO $93891.	-0.8	-1.8	4.8	-3.7	-4.0	-1.8	0.5	5.71	-4.0
Over $93891.	3.7	2.5	8.9	-2.3	-2.9	1.7	2.2	8.96	14.0
NUMBER OF SEATS:									
Under 114	13.3	12.6	20.9	8.9	8.2	19.1	17.9	$ 3.80	11.6
114 TO 160	-1.4	-1.2	-9.5	-2.8	-2.7	-7.9	5.6	3.62	-7.2
160 TO 265	5.6	5.1	7.6	-3.2	-3.7	-0.4	6.2	8.40	8.2
Over 265	0.3	-1.9	8.9	-2.0	-2.7	2.3	-1.6	8.38	16.0
TYPE:									
Cafeteria	*	*	*	*	*	*	*	*	*
Coffee Shop	-	-	10.8	-1.5	-1.5	13.9	8.7	2.44	*
Full Menu:									
Tableservice	2.1	0.3	9.2	-0.8	-1.6	4.0	0.1	$ 8.16	13.5
Limited Menu:									
Tableservice	6.5	6.7	5.8	-5.6	-5.6	-6.2	9.0	7.63	7.0
No Tableservice	*	*	*	*	*	*	*	*	*
Other	*	*	*	*	*	*	*	*	*

- NO CHANGE
* INSUFFICIENT RESPONSE

FOOD AND BEVERAGE SALES REPORT FEBRUARY 1981 COMPARED WITH FEBRUARY 1980

	COMPOSITION OF SALES				TOTAL COST PER DOLLAR OF SALES			
	FEB 81		FEB 80		FEB 81		FEB 80	
	FOOD	BEV.	FOOD	BEV.	FOOD	BEV.	FOOD	BEV.
TOTAL	82.3	17.7	83.1	16.9	$ 0.37	$ 0.24	$ 0.40	$ 0.26
AFFILIATION:								
Single Unit	76.5	23.5	77.5	22.5	$ 0.39	$ 0.24	$ 0.38	$ 0.24
Multi-Unit:								
Company-Owned	100.0	*	100.0	*	0.34	*	0.35	*
Franchised	84.4	15.6	85.2	14.8	0.37	0.24	0.41	0.28
AREA:								
Northeast	93.4	6.6	94.4	5.6	$ 0.36	$ 0.26	$ 0.36	$ 0.29
Southeast	*	*	*	*	*	*	*	*
North Central	77.9	22.1	79.1	20.9	0.41	0.24	0.42	0.26
South Central	79.3	20.7	79.1	20.9	0.36	0.23	0.32	0.22
West	79.7	20.3	80.0	20.0	0.36	0.23	0.44	0.27
SALES PER MONTH:								
Under $35417.	88.5	11.5	87.6	12.4	$ 0.40	$ 0.28	$ 0.40	$ 0.31
$35417. TO $53317.	93.0	7.0	94.0	6.0	0.37	0.29	0.38	0.33
$53317. TO $86906.	83.8	16.2	84.7	15.3	0.38	0.24	0.38	0.25
Over $86906.	79.3	20.7	80.4	19.6	0.37	0.23	0.41	0.26
NUMBER OF SEATS:								
Under 114.5	90.4	9.6	90.7	9.3	$ 0.36	$ 0.28	$ 0.39	$ 0.32
114.5 TO 160	97.8	*	97.4	*	0.35	*	0.34	*
160 TO 267	81.5	18.5	81.9	18.1	0.37	0.24	0.43	0.27
Over 267	77.9	22.1	79.9	20.1	0.39	0.23	0.39	0.26
TYPE:								
Cafeteria	*	*	*	*	*	*	*	*
Coffee Shop	99.8	*	99.8	*	$ 0.34	*	$ 0.34	*
Full Menu:								
Tableservice	78.3	21.7	79.8	20.2	$ 0.40	$ 0.25	$ 0.40	$ 0.27
Limited Menu:								
Tableservice	82.4	17.6	82.4	17.6	0.33	0.21	0.43	0.26
No Tableservice	*	*	*	*	*	*	*	*
Other	*	*	*	*	*	*	*	*

* INSUFFICIENT RESPONSE

PAYROLL AND EMPLOYEE REPORT FEBRUARY 1981 COMPARED WITH FEBRUARY 1980

	SALES PER FTE EMP		PAYROLL PER FTE EMP		COVERS PER FTE EMP		TOTAL SALES PER PAYROLL DOLLAR	
	FEB 81	FEB 80	FEB 81	FEB 80	FEB 81	FEB 80	FEB 81	FEB 80
TOTAL	$ 2045.44	$ 2075.87	$ 626.65	$ 623.60	302.7	351.0	$ 3.24	$ 3.35
Affiliation:								
Single Unit	$ 2121.80	$ 2027.67	$ 666.24	$ 662.13	245.6	251.0	$ 3.22	$ 3.29
Multi-Unit:								
Company-Owned	1644.91	1766.06	497.85	460.27	565.6	544.6	3.43	3.66
Franchised	2031.53	2109.98	616.05	615.09	315.4	390.2	3.24	3.37
AREA:								
Northeast	$ 1588.97	$ 1560.43	$ 523.23	$ 514.68	208.5	218.8	$ 3.06	$ 3.06
Southeast	*	*	*	*	*	*	*	*
North Central	1884.80	1937.61	624.03	631.39	305.4	324.3	3.07	3.11
South Central	1476.66	1455.14	477.07	443.99	180.6	187.5	3.28	3.75
West	2313.16	2164.52	722.39	662.27	268.9	272.4	3.21	3.27
SALES PER MONTH:								
Under $35417.	$ 1410.69	$ 1379.51	$ 497.89	$ 491.90	388.6	417.9	$ 2.83	$ 2.79
$35417. TO $53317.	1583.46	1538.84	529.87	469.91	345.2	350.2	3.13	3.35
$53317. TO $86906.	1843.56	1938.85	612.59	637.07	326.8	351.1	3.07	3.06
Over $86906.	2312.77	2340.13	672.74	675.01	284.3	345.8	3.35	3.49
NUMBER OF SEATS:								
Under 114.5	$ 1685.51	$ 1577.75	$ 554.85	$ 472.76	361.6	366.9	$ 3.24	$ 3.43
114.5 TO 160	1518.52	1530.41	516.78	489.81	440.5	427.9	3.04	3.13
160 TO 267	2074.40	2042.10	610.91	590.80	258.3	275.2	3.27	3.34
Over 267	2286.42	2430.50	704.38	747.38	325.3	435.3	3.26	3.40
TYPE:								
Cafeteria	*	*	*	*	*	*	*	*
Coffee Shop	$ 1514.35	$ 1509.56	$ 490.16	$ 463.64	*	*	$ 3.11	$ 3.26
Full Menu:								
Tableservice	$ 2139.36	$ 2235.00	$ 636.16	$ 666.14	292.6	368.5	$ 3.28	$ 3.38
Limited Menu:								
Tableservice	2203.17	2094.80	699.81	638.11	276.7	280.8	3.17	3.29
No Tableservice	*	*	*	*	*	*	*	*
Other	*	*	*	*	*	*	*	*

* INSUFFICIENT RESPONSE